



State of Utah

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Department of
Environmental Quality

Amanda Smith
Executive Director

DIVISION OF WATER QUALITY
Walter L. Baker, P.E.
Director

Water Quality Board
Jay I. Olsen, *Chair*
Paula Doughty, *Vice-Chair*
Myron E. Bateman
David F. Echols
Merritt K. Frey
Darrell H. Mensel
Leland J. Myers
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Amanda Smith
Gregory L. Rowley
Steven P. Simpson
Daniel C. Snarr
Walter L. Baker
Executive Secretary

September 14, 2010

Priscilla Burton, CPSSc
Division Oil Gas & Mining
319 Carbonville Rd., Ste. C
Price UT 84501
(435) 613-3733

Dear Ms. Burton:

Subject: Utah Nonpoint Source Grant Authorization Letter
2010-2011 White Oak Mine Reclamation

The Utah Water Quality Board (Board) has authorized a Nonpoint Source Grant to the Division of Oil, Gas and Mining in the amount of \$40,000. Based on the information that you submitted and following a site visit by our staff, it appears that the project meets the criteria for Nonpoint Source (NPS) funding as required by UAC R317-102-6. The project will "conserve soil, water, or other natural resources" and will help "reduce the number of water bodies not achieving water quality standards". The project is expected to improve water quality in Scofield Reservoir and the Price River Drainage Basin, in Central Utah.

The funding will be used for an abandoned mine site, to stabilize a hillside, and the stream banks along Whiskey Creek which is tributary of Muddy Creek, which flows to the Price River, approximately 4.1 miles southwest of the town of Scofield. In cooperation with the Division of Oil Gas, and Mining, and as the applicant you will provide a Scope of Work as defined in the Special Provisions section of the Grant Agreement.

Two copies of the Grant Agreement are enclosed. Please sign and return both copies to our office. A fully executed copy will be sent to you for your files. Submit invoices to the DWQ for completed work. The payment request will be forwarded to Environmental Quality Support Services and reimbursement will be processed for the payment amount.

If you have any questions concerning the grant, please contact Mark Schmitz at (801-536-4384).

Utah Nonpoint Source Grant Authorization Letter
2010-2011 Whiskey Creek Restoration
Page 2

Sincerely,

Utah Water Quality Board



Walter L. Baker, P.E.
Executive Secretary

WLB:ca

Enclosure: (2) NPS Grant Agreement

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FY 2011 NONPOINT SOURCE GRANT AGREEMENT

WATER QUALITY HARDSHIP GRANT FUND

Division of Oil, Gas and Mining (DOG M) – Whiskey Creek Restoration

Department of Environmental Quality
Division of Water Quality

This grant agreement is entered into by and between the State of Utah, Department of Environmental Quality, Division of Water Quality, Water Quality Board (hereinafter the "BOARD") and the

Division of Oil, Gas and Mining
Applicant

applicant for a Hardship Grant under the Water Quality Board provisions contained in Title 73, Chapter 10C, Utah Code Annotated 1953 (hereinafter the "GRANTEE"). Pursuant to the provisions of the Statute, and the powers and functions of the Water Quality Board, the BOARD hereby finds and determines, based upon the formal application of the GRANTEE, the evidence provided by the GRANTEE to the BOARD and its staff, and information developed by the BOARD in its own investigations on the application of the GRANTEE, the following, that:

1. The GRANTEE is an individual, corporation, association, state or federal agency, or other private entity pursuant to Section 73-10c-4.5 (1) that intends to acquire, construct, or implement a nonpoint source project as defined in 73-10c-2 (9).
2. The proposed project has been determined to meet Nonpoint Source or wastewater project grant/loan considerations.
3. The project has been determined by the BOARD to not be economically feasible unless grant assistance is provided.
4. The GRANTEE has been authorized by the BOARD pursuant to Section 73-10c-4 (7) to receive a Hardship Grant.

Based upon these findings, the BOARD is authorized and empowered to, and does hereby, enter into the following agreement with the GRANTEE.

GENERAL PROVISIONS

1. The BOARD shall provide the GRANTEE the amount of \$40,000 for the completion of the Project, including scope of work and cost break down, as described in Financial Assistance Application (application).
2. The GRANTEE shall complete the Project described in application, within the time period identified in the Plan of Study or Engineering Plan. If work on the project is not completed by November 1, 2011 this grant may be canceled by written notice from the BOARD to the GRANTEE. No work completed after receipt of the notice shall be reimbursable.
3. The GRANTEE shall comply with any special grant provisions identified herein.
4. The GRANTEE shall notify the BOARD in writing of any proposed modification to the Project that alters the scope of work and/or GRANT AMOUNT. If such notification is not received, the cost of the proposed modification will be disallowed.
5. The GRANTEE shall comply with all laws that normally govern its affairs in regard to contracts, fiscal procedures, and procurement procedures.
6. The GRANTEE shall indemnify and hold harmless the State of Utah, the Department of Environmental Quality and their officers, agents and employees from and against any and all loss, damage, injury, liability, and claims, including claims for personal injury or death, damages to personal property and liens of workmen and material men, howsoever caused, resulting directly or indirectly from the performance of this agreement by the GRANTEE, including attorneys fees and costs in the investigation or defense of any claim, whether or not the claim has merit.
7. The GRANTEE shall be an independent contractor, and, as such, shall have no authorization, express or implied, to bind the State of Utah the Department of Environmental Quality, the Division of Water Quality or the Water Quality Board to any agreement, settlement, liability, or understanding whatsoever, nor to perform any acts as agent for the State of Utah, except as herein expressly set forth.
8. GRANTEE expenditures under this grant determined by audit to be ineligible for reimbursement because they were not authorized by the terms and conditions of the grant, or that are inadequately documented, and for which payment has been made to the GRANTEE will be immediately refunded to the BOARD by the GRANTEE. The GRANTEE further agrees that the BOARD shall have the right to withhold any or all-subsequent payments under this or other contracts to GRANTEE until recoupment of overpayment is made.
9. This grant may be altered, modified, or supplemented only by written amendment, executed by the parties hereto, and attached to the original signed copy of this agreement. The BOARD will allow no claim for services furnished by the GRANTEE, not specifically authorized by this Agreement.
10. If it is determined that in any manner the grant was improperly made or entered into, or if the monies are or were used improperly or contrary to the terms of this agreement, the GRANTEE shall pay to the BOARD the amount of all monies and benefits received by the GRANTEE by the BOARD.

11. When the GRANTEE is the Utah Department of Environmental Quality, paragraphs 6 and 7 of the General Provisions of this agreement shall not apply and will not be considered part of this agreement. When the GRANTEE is an agency of the State of Utah other than the Utah Department of Environmental Quality, the references to the State of Utah in paragraphs 6 and 7 of the General Provisions shall be considered to mean only the Utah Department of Environmental Quality, the Division of Water Quality, and the BOARD.

EXECUTION

NOW, THEREFORE, by virtue of the authority contained in Title 73, Chapter 10, Utah Code Annotated, 1953, as amended, the parties hereto mutually agree to perform this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on September 22, 20 10. This contract will take effect upon approval as evidenced by the appropriate signatures.

GRANTEE

STATE

APPROVED - UTAH WATER QUALITY BOARD

By: 
Dana Dean
Associate Director, Mining

By: _____
Carl Adams, Manager
Watershed Protection Section

FY 2011 NONPOINT SOURCE GRANT AGREEMENT

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EXECUTION

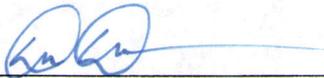
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